

Houchins, Karla

From: Larry Arthur [LArthur@ruralcommunityhospitals.com]
Sent: Tuesday, August 11, 2015 3:56 PM
To: Houchins, Karla
Cc: Trent Skaggs; Christi Thompson
Subject: CON Application #5211 RS - Oxford Shoal Creek ALF
Attachments: Follow-up Attachments.pdf

Dear Karla:

Below are our responses to your questions. We have a few additional items we are collecting and will forward to you as soon as we receive.

Thank you,

Larry Arthur

- 1. Are the proposed owner and operator registered to do business in Missouri at this time?**
Yes it has been filed with the Secretary of State's (SOS) office and once confirmation has been received from the SOS it will be forwarded onto the Missouri CON staff.
- 2. Provide a budget detail to explain what is included in each line item, and how each line item was determined including all methods and assumptions used.**

Please see Attachment One which provides a letter from the contractor and architect that address the specific items requested within the Project Budget.
- 3. Submit a general contractor's bid for the construction of the facility, or a detail list of construction costs.**

Please see Attachment One from Crossland Construction.
- 4. How many rooms would be double-occupancy? How many rooms would be single-occupancy?**

Twenty-Five rooms will be double occupancy with an additional 48 rooms being single occupancy.
- 5. Provide documentation that the proposed owner, CBC Oxford Shoal Creek, LLC, owns the land or has an agreement to purchase or lease the land. The application included an Amendment to Purchase Agreement that states that the buyer is Oxford SCV LLC. Please explain.**

The revised purchase agreement is included in Attachment Two
- 6. Provide documentation of the budgeted cash equity for the project in the form of a letter from a financial institution or an audited statement.**

Attachment 10 in the application is a letter of conditional commitment from The Private Bank to CBC. In addition, Attachment Three provides two letters from banks of the two Principals in CBC noting their cash equity availability.

ATTACHMENT ONE

August 11, 2015

Mr. Mike Belew
CBC Real Estate
4706 Broadway
Suite 240
Kansas City, MO 64112

CROSSLAND

CONSTRUCTION COMPANY, INC.

3252 Roanoke Road
Kansas City, MO 64111
tel 816.960.4553
fax 816.960.4590

Mr. Belew.

Per our recent conversations regarding the Senior Living project at Shoal Creek Village, please see the information below.

The overall breakdown for total project costs is as follows:

• Hard Construction -	\$9,763,205
• Call System/Technology -	\$75,000
• FFE -	<u>\$850,000</u>
• Total Project Cost -	\$10,688,205

We have also included a 16 Division Breakdown for your review. These numbers were compiled by soliciting the various subcontractors in the market using a competitive bidding process.

Division 1 - General Condition/Overhead/Fee	\$ 519,098
Division 2 - Demolition/Sitework	\$ 610,019
Excavation and Utilities	
Division 3 - Concrete	\$ 956,534
Foundations and Slab on Grade	
Division 4 - Masonry	\$ 445,558
Brick and Cast Stone	
Division 5 - Metals	\$ 676,102
Structural Steel Erection and Miscellaneous Metals	
Division 6 - Carpentry and Casework	\$ 450,144
Rough and Finish Carpentry, Countertops	
Division 7 - Moisture Protection	\$ 309,666
Roofing, Insulation, Waterproofing and Building Envelope	
Division 8 - Openings	\$ 508,533
Aluminum Windows, Doors and Associated Door Hardware	
Division 9 - Finishes	\$ 2,474,773
Flooring Tile and Carpet, Painting, Acoustical Ceiling, Gyp Board	
Division 10 - Specialties	\$ 133,736
Appliances, Laundry Equipment, Toilets, Bath	
Division 11 - Equipment	\$ -
Division 12 - Furnishings	\$ 3,062
Division 13 - Special Construction	\$ 120,908
Division 15 - Fire Suppression	\$ 150,849
Division 15 - Plumbing	\$ 615,441
Division 15 - HVAC	\$ 616,613
Division 16 - Electric	\$ 1,172,169
	<hr/>
	\$ 9,763,205



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345 Riverview, Suite 200
Wichita, Kansas 67203
T 316.268.0230
F 316.268.0205
lk-architecture.com

August 10, 2015

Mr. Mike Belew
CBC Oxford SCV, LLC
4706 Broadway, Suite 240
Kansas City, MO 64112

**RE: AE Fees for Assisted Living Facility
Liberty, MO (Shoal Creek Village)**

Mike,

Based on our familiarity with the Assisted Living Facility proposed for your Shoal Creek Village site, LK will provide complete Architectural and all engineering work required for the project for a fee of \$445,000.00. Please let me know if you have any questions and thank you for the opportunity to work with you on this important project!

Sincerely,

LK Architecture, Inc.

Dan Dokken, AIA, NCARB, LEED AP+
Senior Vice President

cc: Chris Dennis, CBC Oxford SCV, LLC

ATTACHMENT TWO



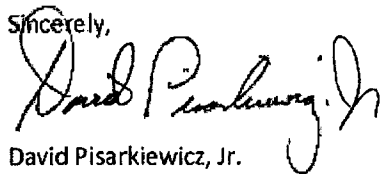
August 7, 2015

Mr. Kevin Kelly
11302 W. 139th Ter
Overland Park, KS 66221

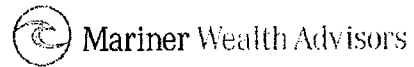
Dear Mr. Kelly:

The purpose of this letter is to provide documentation of the available funds held on your behalf at The PrivateBank. As of August 7, 2015, your aggregate account total held with The PrivateBank is \$3,729,713.77.

Sincerely,



David Pisarkiewicz, Jr.
Managing Director, Sr. Investment Advisor



August 7, 2015

Richard D. Baier
318 Southshore Dr.
Greenwood, MO 64034

Mr. Baier,

As of August 7th, 2015 your aggregate account total held with Mariner/Fidelity is **\$13,539,891**. Please use this email as proof of funds provided by your Investment Advisory Firm, Mariner Wealth Advisors. If you need any additional information please let us know. Have a great weekend.

Best regards,

Rusty Gallagher, CFP

STATE OF MISSOURI



Jason Kander
Secretary of State

CERTIFICATE OF REGISTRATION

WHEREAS,

CBC OXFORD SHOAL CREEK, LLC
FL001414019

existing under the laws of the State of Delaware has filed with this state its Application of Registration and whereas this Application of Registration conforms to the Missouri Limited Liability Company Act.

NOW, THEREFORE, I, JASON KANDER, Secretary of State of the State of Missouri, by virtue of the authority vested in me by law, do hereby certify and declare that on the 12th day of August, 2015, the above Foreign Limited Liability Company is duly authorized to transact business in the State of Missouri and is entitled to any rights granted Limited Liability Companies.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 12th day of August, 2015.


Secretary of State



Houchins, Karla

From: Houchins, Karla
Sent: Monday, August 17, 2015 8:21 AM
To: 'larthur@hmccah.com'
Cc: 'Christi Thompson'
Subject: CON Application #5211 RS: Oxford Shoal Creek
Attachments: #5211 RS - Population.pdf

Good morning, Larry.

We have reviewed the population and number of existing beds for the #5211 RS: Oxford Shoal Creek proposal. We calculated a projected 65+ population in the 15-mile radius of 86,020. The main difference between what is in the application and what we calculated is that the 65+ population for zip code 64492 reported by BVS is 334, and your spreadsheet stated it as 3,340. Also, cities must be taken into consideration. See our spreadsheet attached.

We calculated 2,083 ALF and RCF beds (1,673 licensed and 410 approved) in the 15-mile radius. 52 ALF beds of Blue Hills Rest Home, 40 ALF beds of Bishop Spencer, 20 RCF beds of Golden Living Center, 17 RCF beds of Jolet Home, 48 RCF beds of Hidden Lake Care Center, and 80 RCF beds of Thompson Care Center are all within the radius and should have been included in the list within the application.

Therefore, we arrived at an unmet need for 67 beds in the radius $(86,020 \times .025) - 2,083$. Let me know immediately if you disagree or have questions.

Thank you.

Karla Houchins

Program Coordinator, Certificate of Need
Department of Health and Senior Services
3418 Knipp Drive, P.O. Box 570
Jefferson City, MO 65102
573-751-6700
FAX: 573-751-7894
EMAIL: karla.houchins@health.mo.gov
<http://health.mo.gov/information/boards/certificateofneed/index.php>

This email is from the Missouri Department of Health and Senior Services. It contains confidential or privileged information that may be protected from disclosure by law. Unauthorized disclosure, review, copying, distribution, or use of this message or its contents by anyone other than the intended recipient is prohibited. If you are not the intended recipient, please immediately destroy this message and notify the sender at the following email address: karla.houchins@health.mo.gov or by calling (573)751-6700.

Houchins, Karla

From: Christi Thompson [CThompson@ruralcommunityhospitals.com]
Sent: Monday, August 17, 2015 1:39 PM
To: Houchins, Karla; Wieberg, Alicia
Subject: RE: CON Application #5211 RS - Oxford Shoal Creek ALF
Attachments: Oxford CON Response Attachment-Aug 2015-2.pdf

Trying again. Thanks, Christi

From: Christi Thompson
Sent: Monday, August 17, 2015 1:23 PM
To: Karla Houchins; Alicia Wieberg
Subject: RE: CON Application #5211 RS - Oxford Shoal Creek ALF

The below has bounced back as undeliverable... trying this again.

From: Christi Thompson
Sent: Monday, August 17, 2015 1:17 PM
To: Karla Houchins; Alicia Wieberg
Cc: Larry Arthur; Trent Skaggs
Subject: CON Application #5211 RS - Oxford Shoal Creek ALF

Hi Karla and Alica. Below is our response to your questions for the Oxford CON and attached is the attachment mentioned below. Please let us know if you have other questions. Thanks, Christi

1. ***Is the proposed operator, Oxford Grand SCV, LLC, also registered to do business in Missouri at this time? – The owner is registered and once the CON is approved the management group (operators) will register in the State of Missouri. Currently they are registered in Kansas.***
2. ***How was budget line 7. Land Acquisition Costs of \$1,042,258 determined?***

The purchase agreement that was included in the original application (and in Attachment One) shows the purchase price of the land at \$6 per square foot. Please see calculation cost below which was how \$1,042,258 was determined.

	Acres	Sq Ft
Land (acreage)	3.94	171,626
<u>Land</u>		
Land	1,029,758	\$ 6.00
Appraisal	7,500	\$ 0.75
Survey	5,000	\$ 0.50
Total Land Costs	\$ 1,042,258	

3. ***Describe what is included in budget line 10. Other Costs of \$963,948.***

Operating Reserve	\$ 358,325
Rent Reserve	\$ 371,647
Taxes	\$ 25,976

Travel	\$ 10,000
Title Insurance/Closing Costs	\$ 85,000
Impact/Tap fees	\$ 101,000
Bank Inspections	\$ 12,000
Total Other	\$ 963,948
Operating Reserve	\$ 358,325
Rent Reserve	\$ 371,647
Taxes	\$ 25,976
Travel	\$ 10,000
Title Insurance/Closing Costs	\$ 85,000
Impact/Tap fees	\$ 101,000
Bank Inspections	\$ 12,000
Total Other	\$ 963,948

4. ***Provide documentation that the proposed owner, CBC Oxford Shoal Creek, LLC, owns the land or has an agreement to purchase or lease the land. The application included an Amendment to Purchase Agreement that states that the buyer is Oxford SCV LLC. Please explain.***

See Attachment One which revised the purchase agreement to the correct ownership entity. The buyer is CBC Oxford Shoal Creek, LLC.

Thanks,

Christi Thompson

Executive Assistant

Rural Community Hospitals of America, LLC

1100 Main Street, Suite 2350

Kansas City, MO 64105

(816) 474-7800



"Be yourself... everyone else is taken"

"Be kinder than necessary because everyone you meet is fighting some kind of battle"

ATTACHMENT ONE

**SECOND AMENDMENT TO PURCHASE AGREEMENT
AND ESCROW INSTRUCTIONS**

THIS SECOND AMENDMENT TO PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS (this "Second Amendment") is made this 7TH day of AUGUST, 2015 (the "Effective Date"), by and between SHOAL CREEK VALLEY DEVELOPMENT COMPANY, LLC, a Missouri limited liability company ("Seller"), and CBC OXFORD SHOAL CREEK, LLC (formerly known as OXFORD SCV, LLC), a Delaware limited liability company ("Buyer"), in contemplation of the following facts and circumstances:

A. On April 13, 2015, Seller and Oxford, LLC entered into that PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS (the "Original Agreement").

B. Seller and Buyer entered into that FIRST AMENDMENT TO PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS (the "First Amendment") to clarify the name of the Buyer as OXFORD SCV LLC and to amend the Original Agreement to reflect the change in name.

C. Seller and Buyer now desire to change the name of the Buyer to CBC OXFORD SHOAL CREEK, LLC and to amend the Original Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein as part of the agreement of the parties, the mutual covenants contained below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, do hereby agree as follows:

1. Name of Seller. The name of Buyer has been changed to **CBC OXFORD SHOAL CREEK, LLC**, a Delaware limited liability company. The Original Agreement is hereby modified to reflect that all references to Buyer or an entity in the Original Agreement are hereby replaced with the correct name of Buyer as **CBC OXFORD SHOAL CREEK, LLC**.

2. Full Force and Effect. All of the other terms and conditions of the Agreement not specifically amended hereby shall remain in full force and effect.

3. Counterparts. The parties may sign this Amendment in multiple identical counterparts, all of which taken together shall constitute one and the same agreement. Further, the parties shall treat a copy of an original signature to this Amendment for all purposes as an original signature. The parties shall consider a copy of this signed Amendment for all purposes as an original of this Amendment to the maximum extent permitted by law, and no party to this Amendment shall have any obligation to retain a version of this Amendment that contains original signatures in order to enforce this Amendment, or for any other purpose. The parties may execute and exchange this Amendment by electronic transmission.

[Signatures on Next Page]

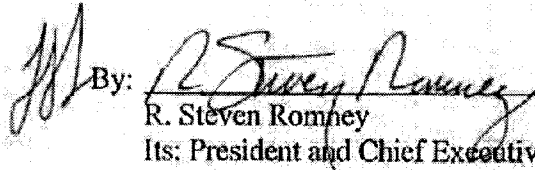
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Seller:

SHOAL CREEK VALLEY DEVELOPMENT
COMPANY, LLC,
a Missouri limited liability company

By: Its Manager

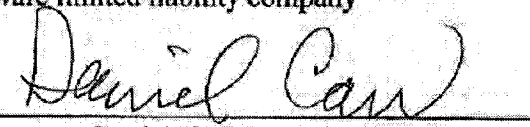
SUBURBAN LAND RESERVE, INC.,
a Utah corporation

By: 
R. Steven Romney
Its: President and Chief Executive Officer

Seller's Tax No: 43-1878244

Buyer:

CBC OXFORD SHOAL CREEK, LLC,
a Delaware limited liability company

By: 
Name: Daniel K. Carr
Its: Manager

Buyer's Tax No: 47-3686631



SUBURBAN LAND RESERVE, INC.

August 6, 2015

CERTIFICATE OF NEED PROGRAM

AUG 14 2015

RECEIVED

Karla Houchins, Program Coordinator
Missouri Certificate of Need Program
3418 Knipp Drive
Jefferson City, MO 65102

RE: Support for Oxford Shoal Creek Assisted Living

Project: #5211RS

Dear Ms. Houchins,

Suburban Land Reserve, Inc. ("SLR") is the land owner and developer of the Master Planned Community (the "Community") in which the proposed Project is located. This letter is intended to demonstrate SLR's support for the proposed project which consists of both Assisted Living (98 Beds) and Memory Care (32 Beds).

SLR believes that the proposed senior care use is not only complimentary to the Community, but will also provide a necessary service for aging individuals and their families who desire to remain in the Northland.

SLR encourages the Missouri Health Facilities Review Committee to grant a Certificate of Need to the Project. If you have any questions, please contact me at 801 321-7567.

Sincerely,

Thane Smith, Vice President
Suburban Land Reserve, Inc.

CAPITOL OFFICE
STATE CAPITOL, ROOM 331-A
JEFFERSON CITY, MO 65101
TELEPHONE (573) 751-5282
RYAN.SILVEY@SENATE.MO.GOV
WWW.SENATE.MO.GOV/SILVEY



MISSOURI SENATE

RYAN SILVEY
DISTRICT 17

COMMITTEES
APPROPRIATIONS, VICE CHAIRMAN
GOVERNMENTAL ACCOUNTABILITY AND
FISCAL OVERSIGHT, VICE CHAIRMAN
GENERAL LAWS
PROGRESS AND DEVELOPMENT
VETERANS' AFFAIRS AND HEALTH
JOINT COMMITTEE ON CAPITAL
IMPROVEMENTS AND LEASES OVERSIGHT
JOINT COMMITTEE ON
LEGISLATIVE RESEARCH

CERTIFICATE OF NEED PROGRAM

JUL 21 2015

July 15, 2015

RECEIVED

Karla Houchins, Program Coordinator
Missouri Certificate of Need Program
3418 Knipp Drive
Jefferson City, MO 65102

RE: Support for Oxford Shoal Creek Assisted Living
Project: #5211RS

Dear Ms. Houchins:

I am writing in support of the proposed 98 bed Assisted Living facility project to be located near the Shoal Creek development in Kansas City North. I represent Senatorial District 17, which includes this area.

The proposed project is essential for the continued development of the Northland region. It also offers an invaluable service for the seniors and will include 32 beds that will be dedicated to memory care residents.

I encourage the Missouri Health Facilities Review Committee to grant a Certificate of Need to the Oxford Shoal Creek Assisted Living project.

Thank you for your time to consider this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan Silvey", with a long horizontal flourish underneath.

Senator Ryan Silvey
District 17